

I believe these are the main challenges each and every Independent Business Owner like me who are affiliated with legitimate corporation like Quixtar would face. My proposed solutions for each challenge as below:

Problem 1:

Prospects would have to wait seven days after receiving disclosures before they could register.

Solution:

Since Quixtar gives 100% money back guaranty if not satisfied; we could eliminate the waiting period. I had couple of IBOs in my group who were resigned due to some challenges in their work schedule and they did get their 100% investment back.

Problem 2:

You would be required to give every prospect a list of "references" – the names, addresses, and phone numbers of 10 other IBOs in the area – seven days before the prospect registers. This requirement would infringe on the privacy of every IBO whose name, address, and phone number was provided to prospects. And I would not give my prospect the contact information for 10 other IBOs, any of whom might be happy to register the prospect themselves.

Solution:

Eliminate the requirement to provide 10 references.

Problem 3:

You would have to give every prospect a list of all lawsuits, arbitrations, and other legal claims for the past 10 years involving Quixtar *and its IBOs* where the plaintiff *alleged fraud, misrepresentation, or unfair trade practices – regardless of whether or not the accusation was true.* Among other problems, this requirement would open up Quixtar and other legitimate companies to false accusations. Meanwhile, dishonest companies would simply ignore the rule.

Solution:

Eliminate the requirement to disclose past litigation.

Problem 4:

You would have to make a different disclosure for every income claim. The income potential I mention in the plan is base on the individual effort. If the person is ready to do what ever is mentioned in

the business plan then he or she would make the same or more income which is explained in the plan but if the prospect is not willing to work according to plan then we can not assure the same income. Again, it's depending on person's willingness.

Solution:

If disclosures are needed, require a simple, standard, easily understood disclosure such as "average monthly gross income for 'active' IBOs."

Problem 5:

You would be required to provide prospects with personal financial documents to back up ("substantiate") any income claim.

Solution:

IBOs should possess substantiation for any claim but should not be required to disclose it except when required by the FTC and similar state agencies in an agency investigation.

Again, I believe that providing every prospect with important information about prior experiences is good for all IBOs affiliate with Quixtar and other legitimate direct selling companies. However, there are less burdensome ways to accomplish that goal than the manner set forth in the proposed FTC rule. From my experience each and every prospect got exposed to the whole business plan and got a chance to meet other IBOs before he/she register with quixtar. If prospect is excited about the business opportunity then it is not beneficial for the prospect to wait for another 7 days. The prospect and his/her sponsor may loose the opportunity to make income because it could be possible that his or her relatives/friends can be exposed to same business plan by some one else in that 7 days waiting time.